

General Government Accounts

Mission Statement

To budget for services provided on a citywide basis and not directly associated with an operating department or office.

Strategic Plan Accomplishments and 2003 Priorities

Major Accomplishments

- The Charter Commission has worked on analysis and preparation of alternative redistricting proposals.
- The process for distribution of city funds to non profit city organizations has been conducted equitably according to city council policies.
- Working with the city's labor union representatives, city staff have managed the financial control of the costs related to city employee fringe benefits, including pensions, insurance, workers' compensation and severance pay.
- Projects have been selected for the 2002 Innovations Program, and implementation of those projects is now underway.
- The audit of the city's 2001 financial records is complete, and the annual financial report has been prepared, printed and distributed.
- Tort claims levied against the city and approved by the city council have been managed, and claimants paid.
- The city's interests and share of costs for the operation of city hall, including security issues in the aftermath of 9/11/01, have been managed.
- The citizen participation program and the neighborhood crime prevention programs were funded.

2003 Priorities

- The city council staff manage the Civic Organization Partnership program and the budget for the Charter Commission.
- The City Attorney's Office oversees the Tort Liability budget and administers any use of law firms and expert legal service outside of the city attorney staff.
- The Citizen Services Office is responsible for the elections budget.
- The Office of Financial Services works with the budgets for pensions, severance pay, state auditor, the contribution to the capital budget, the Capital Improvement Budget committee, financial forms, employee parking, and refunds.
- The Real Estate Division of the Department of Technology and Management Services deals with exempt and forfeited property assessments and the service and operations of the city hall building.
- The Risk Management Division of the Department of Technology and Management Services leads the citywide effort to control the costs associated with workers compensation, employee and retiree health insurance, torts, and unemployment compensation.
- The Planning and Economic Development staff directs the budget for Citizen Participation and the Neighborhood Crime Prevention program.

General Government Accounts

DEPARTMENT/OFFICE DIRECTOR: MATT SMITH

	2000 2ND PRIOR EXP & ENC *	2001 LAST YEAR EXP & ENC *	2002 ADOPTED BUDGET	2003 MAYOR'S PROPOSED	2003 COUNCIL ADOPTED	ADOPTED MAYOR'S PROPOSED	CHANGE FROM 2002 ADOPTED
<u>SPENDING APPROPRIATIONS</u>							
001 GENERAL FUND	15,065,028	8,974,471	7,691,674	7,021,607	7,195,012	173,405	496,662-
TOTAL SPENDING BY UNIT	15,065,028	8,974,471	7,691,674	7,021,607	7,195,012	173,405	496,662-
<u>SPENDING BY MAJOR OBJECT</u>							
SALARIES	595,523	254,123	80,715	83,157	83,157		2,442
EMPLOYER FRINGE BENEFITS	396,125-	24,106-	23,631	24,403	24,403		772
SERVICES	2,649,277	2,624,910	3,038,960	2,605,227	2,605,227		433,733-
MATERIALS AND SUPPLIES	336,820	188,878	18,384	18,524	18,524		140
MISC TRANSFER CONTINGENCY ETC	3,143,301	3,850,389	4,391,687	4,036,764	4,210,169	173,405	181,518-
DEBT	8,633,536	2,012,963					
STREET SEWER BRIDGE ETC IMPROVEMENT							
EQUIPMENT LAND AND BUILDINGS	102,696	67,314	138,297	253,532	253,532		115,235
TOTAL SPENDING BY OBJECT	15,065,028	8,974,471	7,691,674	7,021,607	7,195,012	173,405	496,662-
		40.4-%	14.3-%	8.7-%	2.5 %	2.5 %	6.5-%
<u>FINANCING BY MAJOR OBJECT</u>							
GENERAL FUND	15,065,028	8,974,471	7,691,674	7,021,607	7,195,012	173,405	496,662-
SPECIAL FUNDS							
TAXES							
LICENSES AND PERMITS							
INTERGOVERNMENTAL REVENUE							
FEES, SALES AND SERVICES	16,805	1,250					
ENTERPRISE AND UTILITY REVENUE							
MISCELLANEOUS REVENUE		24,417					
TRANSFERS							
FUND BALANCES							
TOTAL FINANCING BY OBJECT	15,081,833	9,000,138	7,691,674	7,021,607	7,195,012	173,405	496,662-
		40.3-%	14.5-%	8.7-%	2.5 %	2.5 %	6.5-%

Budget Explanation

Major Changes in Spending and Financing

Creating the 2003 Budget Base

The 2002 adopted budget was adjusted to set the base for the year 2003. The budget was increased for the anticipated growth in 2003 for salaries and fringes for staff related to the bargaining process. Employee benefit cost increases were projected and then considered in the process that distributes those total costs to the city departments' budgets through the budget system using the "fringe rate" process. The specified contingent reserve was reduced to remove one-time 2002 projects. The annual increase in the elections contract with Ramsey County was included in the base. Adjustments were made to the 2002 estimates for financing for pension aids to bring them to an expected 2003 level. Funding for the one time 2002 Innovations Program was removed. Finally, a spending cap was imposed on the general government accounts to limit the growth of government spending and to avoid an increase to the city's property tax.

Proposals

To meet base spending, budget proposals were crafted to decrease spending, reduce services, and reflect other miscellaneous cuts to meet the spending cap. Some notable changes include:

- adjusting the exempt and forfeited property assessments budgets below base,
- reflecting increases in the state auditors' rates,
- covering the increase in local bus fares associated with the city employee MetroPass program, and
- modifying the municipal memberships budget for some minor increases in dues.

Mayor's Recommendations

In preparing the 2003 proposed budget, the mayor recommended accepting the proposals contained in the submitted budget, with this exception:

- reimbursing Ramsey County for the city share of some 2002 building renovations.

City Council Actions

The city council adopted the General Government Accounts budget and recommendations as proposed by the mayor, and approved the following changes recommended by the mayor:

- making the recommended technical changes revising financing estimates for interest earnings,
- approving the recommended technical change to move the spending authority related to Ramsey County waste management fees from the general government accounts to department budgets,
- increasing the use of fund balance financing to offset the recommended

technical changes,

- revising financing estimates for parking fines collections and hotel motel tax collections, and
- moving the spending authority for two programs (SMRLS form Human Rights and SPARL from Planning and Economic Development) into the Civic Organization Partnership Program,

The city council made these further changes:

- placing funding for one half of the increase earmarked for community events and city promotions and funding for a recreation center director into specified contingency in the general government accounts,
- revising the Community Development Block Grant financing related to the 2002 Civic Organization Partnership Program (COPP), and adding one time general fund dollars to fund city council selected COPP programs,
- changing the city-wide estimate of retiree insurance costs, and
- adjusting the use of the general fund fund balance to fully finance the city council's changes and decisions and balance the budget.

Note on Contingency: funding placed into specified contingency has been included in the budget, but the city council has not given any authority that it can be spent. The administration can take no action to spend these funds without authority from the city council. Spending authority may be given by the city council through an adopted resolution, once it has been initiated and recommended by the mayor (city charter, section 10.07.4).